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ABSTRACT

A project was undertaken to review funding practices for vocational education in Kansas and to present some alternative funding methods for consideration. During the course of the project, a research specialist interviewed various state-level educational staff and an area vocational and technical school director in order to obtain a general overview of funding procedures in the state and to form some general impressions of the effects and effectiveness of these procedures. Based on these interviews, the researcher concluded that the present funding system makes it advantageous for area vocational and technical schools to enroll postsecondary students in preference to secondary students. It was also concluded that additional funding will not, alone, solve the problem of inequity. To help create a more equitable funding system, the Kansas State Board of Education should establish priorities for its vocational education program and should provide funding on the basis of those priorities. Furthermore, programs should be funded on the basis of need, cost, and ability to pay; on the basis of the level of achievement of outcomes; and on the basis of increases in the proportion of students taking vocational education. Finally, equitable funding could be most effectively established if all state and federal vocational monies were pooled. (MN)

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FUNDING PRACTICES AND ALTERNATIVES FOR VOCATIONAL EDUCATION IN KANSAS

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William Stevenson

U.S. DEPARTMENT OF EDUCATION
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FOREWORD

Equity of educational or vocational opportunity is influenced by many factors. Student population density, the educational philosophy of the state and local boards of education, laws and regulations, funding policies and procedures, and many other factors all have a bearing on educational equality. This report discusses only the question of funding and its influence on equity, with a clear acknowledgement that all of the above factors work together in determining how equally the state serves the needs of its students.

The National Center for Research in Vocational Education is pleased to provide a review of the Kansas State Department of Education's vocational education funding system and provide some alternative funding methods for consideration.

This report is the result of technical assistance provided to the Kansas State Department of Education. The National Center is indebted to Dean Prochaska, State Director of Vocational Education, who initiated this request.

This project was conducted in the Evaluation and Policy Division of the National Center. Appreciation is extended to Bill W. Stevenson, Senior Research Specialist at the National Center, who served as the project director. We are grateful to N. L. McCaslin and Floyd McKinney for their review of this report. Editorial assistance was provided by Janet Kiplinger.

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Robert E. Taylor
Executive Director
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Vocational Education

INTRODUCTION

Equality of educational opportunity has been a long sought and seldom achieved goal of this country. The federal government has, in many instances, provided funds for the purpose of overcoming the inequities or deficiences of our educational system (through handicapped acts, vocational education acts, appropriations to strengthen science and math programs, student aid programs, and more).

States have conducted studies, analyzed funding systems, made special appropriations, and established commissions aimed at equalizing and expanding educational opportunities. Working together with local governments and with the aid of federal legislation, states have built centers for special education and training programs (area vocational and technical centers); established area planning councils; supported community colleges; and many other such measures to ensure equity for those seeking an education. All of these efforts have resulted in movement toward a greater balance in our educational system; however, the struggle to establish and maintain equity must be a continuing effort.

Vast differences in the states' support of education exist presently and are likely to increase in the coming years. The January 12, 1983, Education Daily summarizes the findings of a congressionally mandated study in the following way.

> The prospects for education funding between now and the end of the century change at each state line, and the differences between what states spend on schools may grow more exaggerated over time, according to a congressionally mandated study released last week.
>
> At the extremes, some states now spend two and one-half times what other states spend on each elementary and secondary school student, reports the Education Department's School Finance Project. And, after a long period of convergence, average spending differences among the states are now increasing.(1)

Vocational education has been available at widely varying levels among states and even among areas within a state. As a matter of fact, in almost any state, one can find adjoining, comprehensive high schools, some with no students in vocational education and some with as many as 70 percent of its juniors and seniors taking vocational training. These differences, obviously, result from many factors, one of which is funding. These same differences exist in the opportunities and enrollments in vocational education at the postsecondary level. In recent years, concern has been expressed that the fund appropriation and allocation processes have created disproportions in the accessibility of vocational education at the secondary and postsecondary levels. Some states spend barely the legal minimum (15 percent) of federal vocational funds for postsecondary training, while other states spend a much higher percent at the postsecondary level.

State enrollment (VEDS) data for 1979-80 show the percentage of students in secondary vocational programs compared to postsecondary ranged from a high of 92 percent in secondary to a low

of 19 percent, with only seven states reporting more postsecondary than secondary vocational trainees. Kansas reports that 56 percent of its students are at the secondary level.(2)

The state of Kansas, as represented by the Kansas State Department of Education, requested the assistance of the National Center for Research in Vocational Education in reviewing the state's vocational education funding system and presenting some alternative funding methods for consideration.

A senior research specialist spent one week in Kansas reviewing the present funding method and interviewing educational staff at the state level. One director of an area vocational-technical school (AVTS) was included in the interviews. The time was spent in the state to get a general overview of funding procedures and to form some general impressions of the effects and effectiveness of those procedures.

This report, in keeping with the request of the state, is not so much a critique of the present funding system, although some comments are made relative to that subject, as it is a review of some alternative funding methods that may be applicable to the present state situation. These alternatives are set in priority order based on the author's perception of how well each may meet the state's needs. State leaders will have to make the final decisions based on needs and their goals for vocational education. This report considers funding options from a broad viewpoint, which is not, for better or worse, limited by an in-depth understanding of present or past funding methods and experiences in the state.

Funding Equity

Equity of educational or vocational opportunity is influenced by many factors. Student population density, the educational philosophy of the state and local boards of education, laws and regulations, funding policies and procedures, and many other factors all have a bearing on educational equality. This report will discuss only the question of funding and its influence on equity, with a clear acknowledgement that all of the above factors work together in determining how equally the state serves the needs of its students.

The goal of achieving equality may be viewed from two positions--equality of access or opportunity, and equality of outcomes. This report will be limited to considerations of how a state may improve equality of access rather than attempt to produce like outcomes among diverse groups. Another approach might be to reduce all opportunities to the lowest common denominator. This approach is, of course, rejected out of hand. Thus, any method devised to increase access to vocational education for one group must not be detrimental to another. With limited resources, all cannot be done that should be done, but if vocational education is a priority in the state, funds must be made available and distributed in such a way that an equal opportunity to benefit is available to all.

Many theories/definitions of educational equity exist. John Senier, in a paper entitled Equity in Financing Basic Education(3), points out that simply providing an equal number of dollars, or buildings, or teachers is not necessarily creating

equity in that it ignores variances in per pupil cost, population density, and more. Senier concludes that equity can only be determined on a state-by-state basis in view of what that state considers its obligation to educate its population.

Iowa, a state having a greater proportion of its vocational students in postsecondary education, formed a task force on vocational education. Among its efforts was an analysis of the state's equity situation. Their report, submitted in 1979, recommended that

> the State Board complete an in-depth study to develop equitable funding approaches which encourage the development of appropriate vocational programs for secondary-age students, and which assure the maintenance of high quality in those programs in the years ahead.(4)

The Iowa State Board of Education appointed a Committee on Equitable Funding and gave it a charge to

> develop equitable funding approaches--which address directly the diversity of opportunity and equity of access to quality educational opportunities that prepare students of secondary age in Iowa with general employability and job specific skills.

The report, Final Report of the Study Committee on Equitable Funding Approaches for Vocational Education for Secondary School-Age-Students, was issued in July 1982. This report, while suggesting many approaches to funding, did not ever satisfactorily define equity education or equity funding. This committee seemed to conclude that the setting of minimum standards and funding levels to meet those standards would ensure equity. With unlimited resources, this system would ensure at least some acceptable level of access and opportunity.

In 1982, the Indiana State Board of Vocational and Technical Education completed a report entitled Vocational-Technical Education Financial Study. This report, while not mentioning equitable funding, does

> review the current system of financing vocational-technical education, develop the necessary information to project the current and long-range financial needs, and recommend the most appropriate method or methods of distributing available resources.(6)

A report entitled Descriptive Study of Federal, State, and Local Funds for Vocational Education, under sponsorship of the National Institute of Education, sheds further light on the issues discussed in this report. The study, conducted by the School of Education, University of California, Berkeley, illustrates the diversity and complexity of the funding systems used to support occupational training in this country. A state must be concerned with complying with the law in the distribution of federal vocational funds; however, this report states that

> as of 1978-79, no state was using a funds distribution procedure free of technical difficulties, arbitrary judgments, unexplained calculations, questionable interpretations of federal law, or inaccurate or inappropriate data.(7)

Reports made at the American Education Finance Association meeting in Washington, D.C. in March 1983 question the long-range effects of states' efforts to reform funding procedures to produce more equitable education expenditures. As reported in Education Daily, researchers found that reforms initiated in the early 1970s did decrease disparities in per-pupil spending through most of that decade. However, those

disparities grew in the early 1980s so that by 1982, the situation was not much different from ten years earlier.(8)

The reasons for this loss of equity, based on per-pupil expenditure, researchers reported, are twofold: state legislatures altered their school finance goals and some school districts exercised local options to raise more revenues. Continual review and adjustment are necessary to maintain long-term equity. Any system designed to ensure equity may be self-defeating in that some school districts continue to do more and more, while others do less and less to support schools locally.

It is interesting to note that the Congress asks the states to apply different criteria for the distribution of funds than the federal government uses in its disbursement formula. Two factors determine the distribution of vocational monies to the states: (1) age distribution of the population (training and working ages) and (2) personal income per capita. A state's allocation bears no relationship to the size of its vocational education system, its state and local expenditures for vocational education, the number of students with special needs enrolled, or the economic conditions of the state (except as measured by per capita income).

On the other hand, states are charged with distribution of funds to local schools on the basis of location in an economically depressed area, new program offerings, relative financial ability, and concentrations of low-income families or individuals. The National Institute Education study mentioned

previously found that, even when states technically satisfied the congressional mandate, the degree to which they met these requirements varied greatly. It was also found in some instances that, where federal funds were allocated in accordance with the factors specified by law, the distribution of state funds was used to offset the effects of such allocation where they are needed most.

This brief review of the literature illustrates the fact that the distribution of funds for vocational education is little understood, poorly regulated, and largely a state-determined process. Thus, the state of Kansas may decide, within certain ill-defined and unmeasurable guidelines, how it wishes to spend those dollars appropriated for vocational education.

An acceptable definition of equitable funding is difficult to articulate and even more difficult to achieve. Obviously the federal government does not consider equal as equitable since the 1976 Amendments clearly state that uniform distribution of federal funds to eligible recipients is unacceptable (P.L. 94-482, Sec. 106 (a)(5)(A)). Thus, it appears that at the federal level equity must be based on need.

Many states are concerned about and attempting to achieve equity between secondary and postsecondary funding for vocational education. The 1976 Amendments reserve a minimum of 15 percent for providing vocational education to persons who have completed or left high school or who are employed or already in the labor market (the postsecondary set-aside). This figure obviously lacks both realism and equity when we consider the fact that

vocational education serves over six million postsecondary students, compared with ten million secondary students.(9)

State reports give a confusing picture of the meaning of equitable funding. The Iowa report of the Committee on Equitable Funding indicates that equity consists of opportunity and access to quality vocational education, but then limits its consideration to school-age students. A study in California(10) sets forth the idea that the formula developed must be equitable but does not define the term. Senier attempts to define equity in terms of economic theories and then proceeds to show how each theory is inadequate. He finally concludes, "Inequity exists only if a state is in violation of its own constitution."(11) A recent study of funding needs in Indiana(12) makes a strong point for increased funding but does not get into the question of equity. The report does express concern over the large number of people who need training and are not being served.

One additional factor must be injected into this consideration of equity of vocational education funding--the "human factor." There are school administrators and community decision makers who will, to the limit of their resources, provide as much vocational education in their school as is needed. Other administrators and communities will provide vocational education only when it is economically advantageous to do so. Thus, funding arrangements must provide for the additional cost for all groups and levels in order to avoid concentration of vocational education for some and limited amounts for others.

For the purpose of this report it is assumed that what is being sought is equal opportunities for vocational education for all students regardless of location or level and the role that funding plays in the establishment of this equality.

This section has presented information on equitable funding from the viewpoint of other states and from the national viewpoint. The most obvious conclusion is that many are studying the question without clear-cut definition to guide that study. Another serious dichotomy is in deciding whether to treat everyone "equally" and help those most who need the most help.

There are intervening variables that influence equality of opportunity for vocational education--density of population, cost of programs, attitude of community and school administration, and so forth. An equitable funding system must therefore be devised that takes into account constraints to equity, as well as the state's priorities.

Kansas Vocational Education Delivery System

Kansas has 306 unified school districts (USD), 222 of which provide some state-approved and state-supported vocational education. There are thirteen area vocational-technical schools (AVTS) in the state. Nine are type I, meaning they are part of one USD, while the other four are made up of several school districts. There are nineteen community colleges in Kansas.

Over fifty-two thousand secondary students were served by vocational education in the 1981-82 school year. Slightly over ten thousand of these students were in AVTS's. Over half of the total enrollment of secondary students was in consumer/homemaking

programs which had over twenty-seven thousand students. Eight thousand plus were in agriculture. Less than one-fourth of the secondary students in vocational education were in direct training for an occupation other than in agriculture.

Area vocational-technical schools serve approximately 50 percent secondary and 50 percent postsecondary students ten thousand plus of each). The propcrtion of secondary students attending AVTS's varies from practically zero to over 95 percent. AVTS's also serve over seventeen thousand adults. The nineteen community colleges serve nearly fourteen thousand postsecondary vocational students and almost four thousand adults.(13)

Kansas Funding System

Since this report is being presented to individuals in the state who know the Kansas vocational education funding system in great detail, only a general description of funding will be given.(14) Disparities, where they exist, will be pointed out. More emphasis will be placed upon identifying and analyzing alternatives to the present funding procedures.

Kansas now distributes federal funds to eligible recipients on the basis of annual, local applications that comply with P.L. 94-482. These applications serve as the local proposals for use of federal, state, and local vocational education funds for the ensuing fiscal year; as the long-range plan for vocational education; and as the agreement between the Kansas State Board of Education and the local school district or other eligible recipient. The State Board gives priority to the following applicants.

1. Those located in economically depressed areas with high rates of unemployment and without the ability to provide resources necessary to meet the vocational education needs of the area without federal assistance

2. Those proposing programs that are new to the area to be served and designed to meet new and emerging human resource needs

Vocational education programs in unified school districts may be partially supported from state and federal vocational education reimbursement funds. Local unified school districts have the authority to transfer funds from the general fund to the vocational fund for vocational program support. Unified school districts may provide vocational education to their students through cooperative agreements with the area vocational-technical school or on a tuition basis.

Programs in area vocational-technical schools are funded through the use of postsecondary state aid, student tuition, cooperating unified school district funds, and state and federal reimbursement funds. State reimbursement funds are appropriated by the state legislature. Postsecondary state aid allocated to area vocational technical school programs is established at 85 percent of the costs for postsecondary programs. AVTS's receive support in the following proportions:

16.8%	State vocational aid
6.0%	Federal vocational aid
27.8%	Postsecondary aid
24.8%	Student tuition
24.6%	Other (contracts, special projects, outlay, etc.)

The proportion of state and federal funding provided varies widely between schools from a low of 34 percent to a high of 84 percent in either category (the average is 68 percent). This

means that local support for vocational education in the AVTS's varies from 16 percent to 66 percent.

Vocational programs carried out in community colleges are funded by the state through the credit hour aid system initiated by the state legislature. The rate per credit hour is established by legislation and applied to postsecondary or adult students enrolled in courses that are part of an approved vocational program at the community colleges. Community colleges also may levy up to two mills in local taxes for funds to support vocational programs and services. Community colleges receive no federal vocational fund for programs. They are funded on the basis of cost per credit hour, with vocational programs funded at one and one-half times the academic per-hour cost.

Primary sources of income for community colleges in 1982 were as follows:

4.3%	Special projects and adult federal aid
50.8%	State postsecondary aid
38.2%	Local vocational mill levy
Unknown	Local student tuition

Fund allocation to regular secondary and postsecondary, nondegree programs is based on the following formula.

$$DV = \frac{FTE(ATP \times .40) + (LIF \times .30) + (EDA \times .20) + (NP \times .10)}{TSP\ Points}$$

DV Decimal valuation. Decimal fraction representing a school district's proportional share of the funds available for the state.

FTE Full-time equivalent. The number of full-time students enrolled in the vocational programs covered by approved applications for that school.

ATP Ability to pay. A number representing a 1 to 10 rating for that school based on wealth per student as determined by Local Education Finance Section of Kansas Department of Education.

LIF Low-income families. A number representing a 1 to 10 rating for that school based on percentages of students receiving free or reduced price cafeteria lunches.

EDA Economically depressed area. A number representing a 1 to 10 rating based on latest unemployment figures for that school district.

NP New program. Only education agencies starting approved, new vocational programs will earn points for this factor in the formula. A value factor on a scale of 1 to 10 assigned to new programs based on relative start-up costs and human resource needs.

TSP Total state points. The sum of all points earned by all programs in the state as calculatd by the formula.

The decimal valuation (DV) for each school is multiplied by the number of federal dollars available for distribution in this category to obtain the amount of money earned by the school district (entitlement). Other formulas are used to calculate disbursement of funds for consumer homemaking and other target groups. The disbursement of federal and state vocational funds in 1982 is shown in table 1.

TABLE 1

EXPENDITURES FOR VOCATIONAL EDUCATION IN 1982

Source	USD Dollars	USD Percent	AVTS Dollars	AVTS Percent	Total
Federal	980,500	37	1,669,500	63	2,650,000
State formula aid	751,663	13	4,984,414	87	5,736,077
Equalization aid	5,714,000	100			5,714,000
Postsecondary aid			8,534,093	100	8,524,093
Total	7,446,163	33	15,178,007	67	22,624,170

While the law says that the AVTS shall serve the vocational education needs of all secondary, postsecondary, and adult students, with limited resources, this is impossible. As decisions are made as to who shall be served, inequities inevitably develop (one AVTS had no secondary students and one had less than 5 percent postsecondary enrollments). As secondary schools are asked to pay tuition for students to attend an AVTS (ranging from $1.48 to $2.38 per hour), decisions are made that permit some students to receive training while others may not.

> Inequities begin to be most unacceptable when an individual student does not have an opportunity equal to that of all other students to receive vocational or technical training.

Equitable Funding for Vocational Education in Kansas

This section of the report will present a number of alternatives that should be considered in reorganizing the vocational funding system for Kansas. Some of these suggestions may require changes in the law, while others may require evaluation or management information systems that are only partially in place. If the state is serious, as it appears to be, these limitations can be overcome.

Observations

First, some general observations are presented based on the author's state interviews, observations, and reviews of Kansas and other states' funding documents.

1. The present funding system makes it economically advantageous for area vocational technical schools

to give preference to postsecondary students. With 50 percent of Kansas's secondary students not continuing their education changes should be initiated statewide that will make funding equal for any student choosing to attend one of the state AVTS'.

2. Additional funding alone will not correct the problem of inequity. While additional funds are needed, the system of distribution should be reorganized first.
3. The system of deducting the amount of federal vocational aid before figuring the dollars of state funds for an AVTS is, in effect, supplanting federal monies and circumventing the intent of federal legislation.
4. The role of AVTS's and community colleges must be more clearly defined. Schools having or seeking designation as both will only confuse the issue. One policy should be established that clarifies the role and purpose of each.
5. The state should provide for the development of a master plan for vocational education in Kansas. This plan would designate what is to be done in priority order, who is to do it, and how it will be paid for. This would facilitate putting all vocational monies together and providing funding on the basis of state priorities.
6. All institutions should be held accountable for using vocational funds for vocational education. Evaluation on the basis of prespecified outcomes (via a master

plan) should be strongly considered in decisions to continue programs.

7. The state should consider reinstating local taxing provisions for area vocational technical schools. And local school districts should become a part of an AVTS district through this base.

Survey of Users on Funding Policy

Kansas should consider collecting data from users on how they feel funds for vocational education should be used. In a recent study of vocational educators in Illinois, the Illinois State Advisory Council for Vocational Education (SACVE) provided information that could be very useful in developing a funding system. A review of the Illinois SACVE findings reveals the following information on how those surveyed feel funds should be used.

1. Order of importance for support of present programs.
   Highest - Maintenance of ongoing programs
   Lowest - Special programs and services for target populations
   (Start of new programs was not listed as a choice)
2. Order of importance of overall support.
   Highest - Maintenance of ongoing programs
   Second - Expansion of programs
   Lowest - New programs
3. In case reduction of funds is required what method would be preferred?

Highest - "across the board"

Lowest - Target few top priorities and fund only those

4. Response to criteria for funding decisions.

   Highest - Student enrollment

   Lowest - Low economic conditions

   (Note: almost directly opposite to federal criteria.)

5. Importance of funding vocational education activities.

   Highest - Skill training at eleventh and twelfth grades

   Lowest - Sex equity and other accessibility activities

   (Note: 78 percent of respondents were from secondary schools.)(15)

As would be expected a survey of practitioners finds them primarily concerned with maintenance of present operations and/or expansion--"doing more of the same." Practitioners in this study showed the least interest in change and in meeting the needs of those most in need of assistance. The state, in many instances, may have to go against this attitude if it is to bring about improvement, but state leaders should be aware of how local practitioners feel.

Funding Alternatives

The state should consider one or a combination of several of the following alternatives* for funding vocational education in Kansas.(16)

> Alternative 1: The Kansas State Board for Vocational Education should establish priorities for what is to be done and who should do it, and funding on the basis of that set of priorities.

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*These alternatives are in priority order based on the author's perceptions of state and local conditions and needs.

This can best be done if all state and federal vocational funds are considered as one lump sum without specified divisions between USDs, AVTS's and community colleges. A score could be calculated for each type of program to determine that programs share the total amount available.

Example of Priorities

Priority	Score	Institution(s)
1. Technical training for "high-tech" jobs	30	Community college AVTS postsecondary
2. Skill training for industrial jobs	25	USD AVTS postsecondary
3. Training for jobs in service areas	20	USD AVTS Community college
4. Training for jobs in agriculture	15	USD AVTS
5. Prevocational experiences	10	USD

Priorities would be established within each of the above areas. A score would double if a new program were to be established. Additional points would be given for programs serving target groups, economically depressed areas, and other special areas. Federal dollars could be used exclusively for these purposes, as discussed in the additional consideration below. The number of programs of each type needed would be established based on occupational demand and student desire. Thus a program would be funded depending upon its score and the amount of money in the pot.

Additional Consideration: Federal funds should be used primarily to fund new programs to meet new and emerging demands of the service area.

Programs meeting the above criteria, and having indications of strong hiring commitment from employers, would be funded at some declining percentage over the years. (Example: Year 1 - 75 percent, Year 2 - 50 percent, Year 3 - 25 percent.) Programs of medium priority would be funded less strongly, and low-priority programs would be phased out.

Alternative 2: Programs should be funded on the basis of need, cost, and ability to pay.

This alternative, again, will work most effectively if all vocational funds are unified and disbursed through the state board for vocational education. In this alternative, need would be based upon (1) employment opportunities as indicated by a local survey or statewide data and (2) student desires for training in the demand areas.

Cost would be influenced by the type of program (equipment, instruction, space, office) and whether the program was ongoing or new. Weightings to determine cost should consider--

- o program,
- o instruction,
- o equipment,
- o utilities and space,
- o supplies,
- o special needs students enrolled,
- o program improvement activities,
- o start-up costs for new programs.

The ability to pay would depend upon assessed valuation for taxes and other funds available. A combination of the above factors--need, cost, and ability to pay--would constitute the

base for calculating funding in this alternative.

> Alternative 3: Programs should be funded on the basis of the level of achievement of outcomes.

This would require the establishment of a set of agreed upon outcomes (placement in jobs related to training, continuing training related, etc.). These outcomes, considered to be the measure of achievement for all programs, would be the basis for the vocational education data and evaluation system. This alternative would depend upon a data system that effectively measured the extent to which each program achieved the specified objectives. This system would reward the more effective programs and virtually eliminate those programs that were least effective.

> Additional Consideration: Funds should be allocated on the basis of program improvement needs identified by the program evaluation system.

To modify, somewhat, the effects of alternative 3, the state would initiate a system of assisting less effective programs in making improvements. This additional consideration would mean that funds to make recommended improvements (to update equipment, update teachers, or improve instructional materials) would be included in the disbursement formula. This would require an evaluation system that makes recommendations for program improvement for each vocational offering.

> Alternative 4: Programs funded on the basis of increases in the proportion of students taking vocational education.

A school that could show an increase in the proportion or number of students in vocational education would have programs funded on the basis of that increase. This would be a strong incentive to schools to offer more vocational education.

Summary

Any alternative chosen should, ideally, produce the same outcome regardless of who performs the calculations. Furthermore, others ought to be able to understand how a particular outcome was produced. In addition--

- o each variable should be clearly defined;
- o the formula should be easily understood;
- o the data used should be available, current, and reliable;
- o data should be geographically specific; and
- o outcomes should be stable over time.

A formula per se is no guarantee of fair or more equitable allocation of funds. The nature of the formula (alternatives) and the objectivity of the data and calculations do help to move programs in certain intended directions. Those making decisions on the distribution of vocational resources must continue to be alert to inequities and possible, unintended consequences of these decisions.

This report has reviewed selected literature on the subject of state and federal funding. A discussion of past experience and theories of equitable funding is included. The vocational funding system in Kansas is described briefly and several observations relating to that system are made.

1. The present funding system makes it advantageous for area vocational technical schools to enroll postsecondary students in preference to secondary students.

2. Additional funding will not, alone, solve the problem of inequity.

3. The system of deducting the federal vocational dollars a school receives before calculating state aid is, in effect, circumventing federal legislative intent.

4. The role of AVTS and community colleges must be more clearly defined.

5. The state should provide for the development of a master plan for vocational education in Kansas.

6. All institutions should be held accountable for using vocational funds for vocational education.

This report also presents several funding alternatives for consideration in creating a more equitable funding system. The alternatives are reiterated here:

> Priority 1: The Kansas State Board of Vocational Education should establish priorities for what is to be done and who should do it, and should provide funding on the basis of that set of priorites.

An additional consideration states that federal funds should be used primarily to fund new programs to meet new and emerging demands.

> Priority 2: Programs should be funded on the basis of need, cost, and ability to pay.

> Priority 3: Programs should be funded on the basis of level of achievement of outcomes.

An additional consideration would be to provide funds for recommended improvements for less effective programs.

> Priority 4: Programs would be funded on the basis of increases in the proportion of students taking vocational education.

Finally, it is concluded that equitable funding can be most effectively established if all state and federal vocational monies are pooled, though not intermingled, and if programs are funded on the basis of the system thought to be most appropriate for Kansas. While the proposed alternative funding methods have been set in a priority order in this report, the final decision of what will work best for Kansas must be made by leaders of that state.

NOTES

1. Prospects for Finanacing Elementary/Secondary Education in the States. Congressionally Mandated Study of School Finance. Final Report: Volume 1, Report to Congress from the Secretary of Education, T. H. Bell (Washington, DC: U.S. Department of Education, December 1982).

2. Preliminary VEDS Data, 1979-80 from the Vocational Education Data System, National Center for Educational Statistics.

3. John Senier, Equity in Financing Basic Education (Harrisburg, PA: Bureau of Information Systems, Pennsylvania Department of Education, n.d.).

4. Iowa Department of Public Instruction, Final Report of the Study Committee on Equitable Funding Approaches for Vocational Education for Secondary School-Age Students (Des Moines, IA: Department of Public Instruction, 1 July 1982).

5. Ibid.

6. Don Gentry, "Vocational-Technical Education Financial Study, State Board of Vocational and Technical Education," fourth draft, discussion copy (Indianapolis, IN: State Board of Vocational and Technical Education, 6 August 1982).

7. Descriptive Study of the Distribution of Federal, State, and Local Funds for Vocational Education, Final Report (Berkeley, CA: The Project on National Vocational Education Resources, School of Education, University of California at Berkeley, September 1981). (Contracted by the National Institute of Education)

8. "Life After School Finance Reform: Much Like Life Before School Finance Reform." Education Daily, 23 March 1983, pp. 5-6.

9. Preliminary VEDS Data, 1979-80 (see note 2).

10. The Distribution of Federal Vocational Education Funds. Summary Report (Los Angeles, CA: Evaluation and Training Institute, 1981).

11. John Senier, Preliminary Assessment of the Future Demand for and Supply of the Educational Dollar (Harrisburg, PA: Bureau of Information Systems, Pennsylvania Department of Education, April 1974).

12. See note 6.

13. All statistics in this section are from Kansas Vocational Education: State Plan 1983-1987 (Topeka, KS: Kansas State Department of Education, n.d.).

14. Funding information drawn from the Kansas Vocational Education: State Plan 1983-1987. See note 13.

15. Illinois State Advisory Council on Vocational Education, "Vocational Education Funding Survey" (Springfield, IL: SACVE, n.d.).